



The Law Society

Lexcel

A guide for in-house legal practices

practice management  
guidance

# Lexcel v4: A guide for in-house legal practices

With a variety of practice types seeking and retaining accreditation, there are certain aspects of the standard where compliance can have different implications. This guide is designed to provide practical advice to in-house legal departments in relation to specific sections of the standard where the requirements for compliance may have a different effect.

You could save much time and effort by using the Lexcel Practice Excellence Kit for guidance. The Kit includes both a template manual in hard and electronic copy, as well as an assessment guide which is a checklist and commentary on the v4 standard.

If you have any questions about applying the Lexcel rules to the circumstances of your practice, please contact the Lexcel office on: 020 7320 5933 or via e-mail at: [lexcel@lawsociety.org.uk](mailto:lexcel@lawsociety.org.uk).

## Benefits

There are a variety of benefits practices can experience by achieving Lexcel accreditation. For in-house practices, these advantages can extend to reducing mistakes and improving efficiency. These positive affects can be beneficial not only to the legal department but to the wider organisation they sit within, particularly if best practice principles are adopted.

Achieving Lexcel accreditation can promote practice excellence internally and externally. This can allow in-house practices to test the quality and cost effectiveness of the services they provide against private sector competition, thus providing evidence of their dedication to best practice.

Increasingly, in-house legal services are managing to prove themselves to be more efficient and cost effective than external legal services providers. Many in-house departments now operate within a commercial environment internally. The attainment of Lexcel can only serve to enhance this commercial edge.

Being independently assessed, Lexcel can also demonstrate to the client departments a commitment to delivering excellent client service. While there is flexibility to tailor standards to meet your practice's own needs, fulfilling Lexcel's requirements means these will be set against a nationally recognised standard.

Local authorities working to Best Value principles are constantly reviewing their policies, practices and procedures to improve their efficiency and cost effectiveness while maintaining high quality standards. Lexcel accreditation provides recognition of a practice's commitment to achieving, developing and maintaining best practice and service excellence.

## Implementing Lexcel

There may be a number of policies, plans and procedures required for Lexcel which are managed by other departments within your organisation. When this is the case, you need to demonstrate how the policy, plan or procedure impacts on your department.

# Requirements

The table below highlights requirements which will have a different impact on in-house legal practices in Lexcel v4:

1. Structures and Policies	
1.1	In-house documentation should set out the relationship of the legal department to the parent body and any colleague departments. This could be done by reference to organisation-wide documentation or charters, or any legislative provisions, public or private.

  

2. Strategy, the Provisions of Services and Marketing	
2.1 & 2.3	In-house practices will likely have in place a service plan or will refer the assessor to the corporate plans of the parent or umbrella organisation. The same can be said for the departments 'disaster' and continuity plans'.

  

3. Financial Management	
3.1	Your in-house department may have its financial management dealt with by a colleague department. The person in your department responsible for the department's finances should be named.
3.2	The requirements in this section may not be applicable to your legal department as you will be bound by the umbrella organisation's financial management structure.
3.3	Time-recording is mandatory if you bill your client departments for work done on a time basis. It is considered good practice to maintain time records even when the information is not used for billing as it provides useful management information.

  

5. People Management	
5.3	Recruitment may be dealt with by your human resource department. As it is a requirement to check the disciplinary records of prospective fee earners, this issue must not be overlooked.

  

6. Supervision and Operational Risk Management	
6.6	<p>Different considerations need to be applied to in-house departments with regard to risk. Although in-house practices may not be able to decline instructions, they will still need to provide evidence that due consideration is given to all relevant potential risks, and the management of them. i.e. an important consideration might be the inherent costs associated in responding to investigations and enquiries, and the consequential damage to reputation which follows adverse publicity.</p> <p>Local authorities might consider risks associated with the procurement and purchasing of outside legal services, with particular regard to costs and the rules and regulations dictated by Best Value. In-house practices should note that Lexcel requires temporary staff to be included in the supervision process. Local authorities may want to note this change as they are historically a big employer of locum solicitors. All temporary staff will be included in assessment samples and will be subject to interview and/or file reviews during assessment.</p> <p>In many governmental or local authority practices the parent body will not have insurance in place and will, in effect, self insure.</p>

  

7. Client Care	
7.2	In-house departments do not have to comply with Rule 2 of the Solicitors' Code of Conduct. Clients must, however, be provided with key information and have their expectations managed. This may be dealt with via a service level agreement or on a case by case basis.



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